

IT-611

CORPORATION
Georgia Income Tax
Forms for 1998
AND GENERAL INSTRUCTIONS



FROM THE COMMISSIONER

This booklet has been designed for Corporations in order to assist them in complying with the obligation to file Georgia corporate tax returns. It contains the forms and schedules needed by most Corporations. On page 7, you will find a "New Information" section that may affect your business.

During the upcoming filing season, our goal is to help you get the information that you need as efficiently and effectively as possible. To further that goal, we have instituted two new ways for taxpayers to quickly access tax forms and related information. First, you can use the Internet to contact our popular website at <http://www2.state.ga.us/departments/dor/>. Second, you may call (404) 656-4293 to order forms either by leaving a voice message or by using our new Fax-On-Demand system.

Everyone at the Department of Revenue is committed to providing prompt, courteous service. Telephone numbers are provided on page 5 of this booklet that you may find helpful during the coming tax season.

T. JERRY JACKSON
Commissioner

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INCOME TAX

INTRODUCTION

The following instructions apply to two separate taxes on corporations. One is an income tax at a rate of 6% on taxable income. The second is a graduated tax based on corporate net worth. The instructions for the net worth tax are on page 3.

Both taxes must be paid annually, and Schedule 3 of the return is designed to combine the liabilities, any penalty and interest due, and the credits for prepayment, resulting in a single balance due or overpayment.

The 1998 General Assembly updated the Georgia Income Tax Code to closely follow the Internal Revenue Code of 1986 as it existed on January 1, 1998.

FILING REQUIREMENTS

All corporations owning property or doing business within Georgia are required to file a Georgia Income Tax return. Please round all dollar entries. A corporation electing to file under the Internal Revenue Code provisions for S corporations, having one or more stockholders who are nonresidents of Georgia, must file consent, Form 600 S-CA, on behalf of each such nonresident. Failure to furnish properly executed Forms 600 S-CA for all nonresident stockholders negates Georgia recognition of the election, requiring each corporation to file on Form 600, and to pay the regular corporate tax.

WHEN AND WHERE TO FILE

The return is due on or before the 15th day of the 3rd month following the close of the taxable year. This means March 15th, if on the calendar year basis. Returns should be mailed to Georgia Income Tax Division, P.O. Box 740397, Atlanta, Georgia 30374-0397.

EXTENSION OF TIME

A reasonable extension of time for filing may be granted by the Commissioner upon application on Form IT-303. It must be filed prior to the date the return is due and show that the delay is due to a reasonable cause. The Georgia Law prohibits the granting of an extension of over 6 months from the due date of the return.

If taxpayer has received from the Internal Revenue Service an extension of time within which to file his Federal return, taxpayer need not apply to the Georgia Department of Revenue for a similar extension of time. All that is required is a copy of the request for Federal extension to be attached to the Georgia return. The form IT-560-C is to be used to submit any payment of tax when an extension is requested or in force. Interest accrues at the rate of 12% per year on any tax due from the regular due date of the return until paid.

LATE PAYMENT PENALTY

A taxpayer having a Federal extension must also prepay the Georgia tax accompanying such remittance with Form 560-C. On Form 600, credit for such prepayment should be claimed on line 3, Schedule 3. If tax is not paid by the statutory due date of the return, a late payment penalty of 1/2 of 1% per month will accrue until tax is paid. This penalty will accrue from the statutory due date regardless of any extension for filing the return.

PENALTIES AND INTEREST

The Georgia Code imposes certain penalties, which must be assessed as follows:

Delinquent filing of return—5% of the tax shown on the return for each month or fractional part thereof—up to 25%.

Failure to pay tax shown on a return by the due date—1/2 of 1% of the tax due for each month or fractional part thereof—up to 25%.

Other penalties are also provided, as follows:

Negligent underpayment of tax—5% of the underpayment.

Fraudulent underpayment—50% thereof.

Interest accrues at the rate of 12% per year from the due

date for payment to the date paid. An extension of time for filing does not alter the interest charge, nor the penalty for late payment of tax.

COMPUTATION OF TAX

The Georgia income tax is 6% of the Georgia taxable income shown on line 7, Schedule 1. The amount of tax must be entered on line 8, Schedule 1 and on line 1 of Schedule 3.

RELATION TO FEDERAL RETURN

The Georgia return is correlative with the Federal return in most respects. The taxable income shown on the Federal return is the basis of the Georgia taxable income, with only a few adjustments outlined in the following section. The accounting period and method for the Georgia return must be the same as the Federal. The Federal principles pertaining to execution of the return by an officer and the preparer apply to Georgia returns. A copy of the Federal return and all supporting schedules must be attached to the Georgia return.

If two or more corporations file Federal income tax returns on a consolidated basis and all such corporations derive all of their income from sources within Georgia, the corporations must file a consolidated return for Georgia income tax purposes. However, a separate net worth tax return must be filed by each subsidiary. The parent corporation should file its net worth tax return in Schedule 2 of the consolidated return but use only the parent's net worth for computing the tax due.

Affiliated corporations which file a consolidated Federal income tax return, but derive income from sources without this State, must file separate income tax returns with Georgia unless they have prior approval or have been requested to file a consolidated return by the Commissioner of Revenue.

When a taxpayer entitled to a carryback period for a net operating loss elects under I.R.C. Section 172(b)(3)(c) to forego the entire carryback period and carryforward only, such election is binding on the Georgia return.

If a Federal audit results in a change in taxable income, the taxpayer shall make a return to the commissioner, of the changed or corrected net income, within 180 days of final determination to: Georgia Income Tax Division, P.O. Box 38467, Atlanta, Georgia 30334.

ADJUSTMENT TO FEDERAL INCOME

The Federal taxable income is the basis of computation of Georgia taxable income. Lines 2 and 4 of Schedule 1 are provided for the modifications required by Georgia Law. The total of additions to Federal income is to be shown on line 2, Schedule 1 and listed in Schedule 4. The total of subtractions from Federal income is to be shown on line 4, Schedule 1, and listed in Schedule 5. The more commonly used items are listed in each of these schedules.

A corporation which is a party to state contracts may subtract from Federal taxable income 10% of qualified payments to minority subcontractors or \$100,000, whichever is less, per taxable year. A list of certified minority subcontractors will be maintained by the Commissioner of Administrative Services for the Revenue Department and general public. (For further information, call (404) 656-6315.)

If you claim a net operating loss deduction, you must file a complete statement as to sources of such deduction.

Corporations doing business both within and without Georgia incurring a loss shall compute the net operating loss carryover deduction by allocating to Georgia only the amount of the loss attributable to operations within Georgia. Such deduction shall be entered in line 8, Schedule 7.

A net operating loss sustained for the current taxable year must be carried back and forward in the procedural sequence of taxable periods provided by Section 172 of the Internal Revenue Code of 1986, as it existed on January 1, 1998, and as adopted by Section 48-7-21 of the income tax laws of Georgia.

Georgia Taxes Deductible. There shall be added to taxable income any taxes on, or measured by, net income or net profits paid or accrued within the taxable year imposed by the authority of the United States or any foreign country, or by any state except the State of Georgia, or by any territory, county, school district, municipality, or other tax subdivision of any state, territory, or foreign country to the extent such taxes are deducted in determining federal taxable income. This includes federal environmental tax.

Where salaries and wages are reduced on the federal return in computing federal taxable income because of a Federal jobs tax credit the eliminated salary and wage deduction should be listed in Schedule 5 as a subtraction from Federal taxable income.

ALLOCATION AND APPORTIONMENT OF INCOME

If any corporation, domestic or foreign, is doing business both within and without Georgia, Schedules 6 and 7 should be used to compute Georgia taxable income.

The tax imposed by this law applies to the entire net income as herein defined, received by every corporation, foreign or domestic, owning property or doing business in this State. Every such corporation shall be deemed to be doing business in this State if it engaged within this State in any activities or transactions for the purpose of financial profit or gain; whether or not such corporation is registered to do business in this State; whether or not it maintains an office or place of doing business within this State; whether or not any such activity or transaction is connected with interstate or foreign commerce. If the business income of the corporation is derived from property owned or business done within the State, and in part from property owned or business done without the State, the tax shall be imposed only on that portion of the business income which is reasonably attributable to the property owned and business done within the State, to be determined as follows:

(1) Interest received on bonds held for investment and income received from other intangible property held for investment are not subject to apportionment. Rentals received from real estate held purely for investment purposes and not used in the operation of the business are also not subject to apportionment. All expenses connected with the interest and rentals realized from such investments are likewise not subject to apportionment but must be applied against the investment income. The net investment income from intangible property shall be allocated to Georgia if the situs of the corporation is in Georgia or the intangible property was acquired as income from property held in Georgia, or as a result of business done in Georgia. The net investment income from tangible property in Georgia shall be allocated to Georgia.

(2) Gains from the sale of tangible or intangible property not held, owned or used in connection with the trade or business of the corporation nor for sale in the regular course of business shall be allocated to the State if the property held is real or tangible personal property situated in the State, or intangible property having an actual situs or a business situs within the State. Otherwise, such gains shall be allocated outside the State.

(3) Net income of the above classes having been separately allocated and deducted, the remainder of the net business income shall be apportioned by application of the following:

THREE FACTOR FORMULA

(a) **Property Factor.** The property factor is composed of the average value of real and tangible personal property owned or rented and used during the taxable year. Property owned is valued at its

original cost. Property rented is valued at eight times the net annual rental rate. The net annual rental rate is the annual rental rate paid less any annual rental rate received from any subrentals. Averaging with respect to rented property is achieved automatically by the method of determining the net annual rental rate of such property.

(b) **Payroll Factor.** The payroll factor is the ratio of all salaries, wages, commissions, and other compensation paid by the taxpayer in this State for personal services performed by employees in connection with the trade or business of the taxpayer during the taxable year to the total salaries, wages, commissions, and other compensation paid by the taxpayer for personal services performed by employees in connection with its entire trade or business, wherever conducted, during the taxable year. Payments made to an independent contractor or any other person not properly classified as an employee are excluded. Compensation is paid in this State if the employee's service outside Georgia is incidental to the service performed in this State or some of the service is performed in Georgia and the base of operations from which the service is directed is in this State, or some of the service is performed in Georgia and the base of operations from which the service is directed is not in any State where some part of the service is performed but the employee's residence is in Georgia.

(c) **Gross Receipts Factor.** The gross receipts factor is the ratio of gross receipts from business done within this State to total gross receipts from business done everywhere. Receipts shall be deemed to have been derived from business done within this State only if received from products shipped to customers in this State, or delivered within this State to customers.

The purpose of the gross receipts factor is to measure the marketplace for the taxpayer's goods and services.

When receipts are derived from the sale of tangible personal property, receipts shall be deemed to have been derived from business done in this state if they were received from products shipped to customers in this state or products delivered within this state to customers.

When receipts are derived from business other than the sale of tangible personal property, receipts shall be deemed to have been derived from business done in this state if they were received from customers within this state or if the receipts are otherwise attributable to this state's marketplace.

(d) The apportionment factors determined above shall be weighted 25% to property, 25% to payroll and 50% to receipts. If the denominator for either the property or payroll factor is zero, the weighted percentage for the other will be 33-1/3% and the weighted percentage for the receipts factor will be 66-2/3%. If the denominator for the receipts is zero, the weighted percentage for the property and payroll will change to 50% each. If the denominators for any two factors are zero, the weighted percentage for the remaining factor will be 100%.

(e) **Apportionment of Income; Business Joint Venture and Business Partnerships.** A corporation which is involved in a business joint venture, or is a general partner in a business partnership, must include its pro rata share of the joint venture or partnership, property, payroll and gross receipts values in its own apportionment formula.

AMENDED RETURNS

Georgia has no special form for the filing of an amended return. Please check the amended return block on Form 600. Copy of Federal form 1120X or federal audit adjustments must be attached. The amended return should be mailed to Georgia Income Tax Division, P.O. Box 740397, Atlanta, Georgia 30374-0397.

NET WORTH TAX

INITIAL FILING AND DUE DATES

A new domestic or foreign corporation doing business or owning property in Georgia must file an initial net worth tax return on or before the fifteenth day of the third calendar month after incorporation or qualification. The initial net worth tax return is based on the beginning net worth (Federal Schedule L) of the corporation and covers the tax from the incorporation/qualification date to the year end. If this return is for a short period of less than six months, the tax due shall be 50%. The initial net worth return cannot be combined with the initial income tax return since the due dates do not coincide.

Thereafter, an annual return must be filed on or before the fifteenth day of the third month following the beginning of the corporation's taxable period.

EXTENSION OF TIME

A reasonable extension of time for filing may be granted by the Commissioner upon application on Form IT-303. It must be filed prior to the date the return is due and show that the delay is due to a reasonable cause. Georgia Law prohibits the granting of an extension of over 6 months from the due date of the return.

If the taxpayer has received from the Internal Revenue Service an extension of time within which to file his Federal return, taxpayer need not apply to the Georgia Department of Revenue for a similar extension of time. All that is required is a copy of the request for the Federal extension be attached to the Georgia return. If the taxpayer is filing a net worth tax return only and no income tax return is due, a separate extension must be applied for and the tax paid. Interest accrues at the rate of 12% per year on any tax due from the regular due date of the return until paid.

A taxpayer having a federal extension must also prepay the Georgia Tax accompanying such remittance with Form 560C. On Form 600, credit for such prepayment should be claimed on line 3, Schedule 3. An extension of time does not alter the interest charges, nor the penalty for late payment of tax.

PENALTIES AND INTEREST

Penalties and interest may be avoided by payment of tax by the statutory due date of the return.

Penalty for delinquent filing--10% of tax due. Penalty for delinquent payment--10% of tax due.

In addition, interest at 12% per annum is due on a delinquent remittance from the date due until paid.

TREATMENT OF SHORT PERIOD NET WORTH TAX RETURN

All corporations filing a short period income and/or net worth Georgia tax return for any reason other than initial or final return shall compute the net worth in accordance with the following instructions:

The net worth tax shall be computed on the net worth per the ending balance sheet of the short period return. The tax is then prorated based on the number of months included in the short period return.

Note: Any short periods ending on the 1st to the 15th day of the month

COMPUTATION OF TAX

The tax is graduated based on net worth. In the case of new corporations, this is the beginning net worth. Thereafter, it is the net worth on the first day of the corporation's net worth taxable year. Net worth is defined to include issued capital stock, paid in surplus and retained earnings. Treasury stock should not be deducted from issued capital stock.

Foreign corporations qualified in Georgia are taxable on the portion of net worth employed within Georgia as computed in Schedule 2, using the ratio computed in Schedule 8. In computing the ratio, the property factors will reflect total balance sheet assets within Georgia and everywhere. The gross receipts factors are determined per instructions on page 2. For net worth tax purposes, a foreign corporation is a corporation or association created or organized under the statutory laws of any nation or state other than Georgia.

Domestic corporations and domesticated foreign corporations are taxable on total net worth (100% ratio) and should not use the ratio computation in Schedule 8. For net worth tax purposes, a domestic corporation is a corporation or association created or organized under the statutory laws of Georgia. A domesticated foreign corporation is a foreign corporation which has agreed under the provisions of Georgia law to be treated as a domestic corporation and to be taxed on total net worth.

A net worth tax return must be filed by a dormant corporation and the tax paid to retain its charter. A foreign corporation admitted into Georgia must file a net worth tax return until it has withdrawn from Georgia. A corporation with a deficit net worth will pay the minimum tax shown in the table below. A corporation which has liquidated and is filing its final income tax return is not liable to file a subsequent net worth tax return.

All cooperative marketing associations are required to file a return using either Form 600 or 600-S, whichever is applicable. The tax on such corporations is \$10.00 per year.

When two or more corporations file a consolidated return for income tax purposes, a separate net worth tax return must be filed by each subsidiary. The parent corporation should file its net worth tax return in Schedule 2 of the consolidated return but use only the parent's net worth for computing the tax due.

NET TAX DUE OR OVERPAYMENT

Schedule 3 provides for the computation of the net tax due or the net overpayment of the two taxes.

Compute any penalty and interest due under the respective taxes and enter the amounts on the applicable lines.

are backed up to the last day of the preceding month. Years ending on the 16th day or later are moved forward to the last day of that month.

EXAMPLE

Corporation A files a three month short period return ending March 31, 1998. The Georgia taxable net worth per the March 31, 1998, balance sheet is \$90,000. The Georgia net worth tax is computed as follows:

Tax per scale \$100.00 x 3/12 = \$25.00 net worth tax due.

NET WORTH TAX TABLE

DOMESTIC AND DOMESTICATED FOREIGN CORPORATIONS

Based on net worth including issued capital stock, treasury stock, paid-in surplus and earned surplus (line 4, Schedule 2).

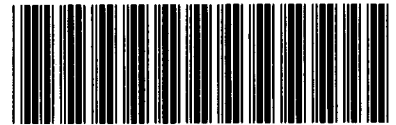
Not exceeding \$10,000	
Over	\$ 10,000.00 and not exceeding
Over	25,000.00 and not exceeding
Over	40,000.00 and not exceeding
Over	60,000.00 and not exceeding
Over	80,000.00 and not exceeding
Over	100,000.00 and not exceeding
Over	150,000.00 and not exceeding
Over	200,000.00 and not exceeding
Over	300,000.00 and not exceeding
Over	500,000.00 and not exceeding
Over	750,000.00 and not exceeding
Over	1,000,000.00 and not exceeding
Over	2,000,000.00 and not exceeding
Over	4,000,000.00 and not exceeding
Over	6,000,000.00 and not exceeding
Over	8,000,000.00 and not exceeding
Over	10,000,000.00 and not exceeding
Over	12,000,000.00 and not exceeding
Over	14,000,000.00 and not exceeding
Over	16,000,000.00 and not exceeding
Over	18,000,000.00 and not exceeding
Over	20,000,000.00 and not exceeding
Over	22,000,000.00

FOREIGN CORPORATIONS

Based on net worth including issued capital stock, treasury stock, paid-in surplus and earned surplus employed within Georgia (line 6, Schedule 2).

	\$ 10.00
\$ 25,000.00	20.00
40,000.00	40.00
60,000.00	60.00
80,000.00	75.00
100,000.00	100.00
150,000.00	125.00
200,000.00	150.00
300,000.00	200.00
500,000.00	250.00
750,000.00	300.00
1,000,000.00	500.00
2,000,000.00	750.00
4,000,000.00	1,000.00
6,000,000.00	1,250.00
8,000,000.00	1,500.00
10,000,000.00	1,750.00
12,000,000.00	2,000.00
14,000,000.00	2,500.00
16,000,000.00	3,000.00
18,000,000.00	3,500.00
20,000,000.00	4,000.00
22,000,000.00	4,500.00
	5,000.00

GEORGIA CORPORATION
TAX RETURNS
FORM 600
DEPARTMENT OF REVENUE
INCOME TAX DIVISION



1111111111

- () ORIGINAL RETURN
() AMENDED RETURN
() INITIAL NET WORTH
() FINAL RETURN (Attach explanation)
() NEW CORPORATION
() ADDRESS CHANGE
() NAME CHANGE (Please show former name)

1998 INCOME TAX RETURN

Beginning 19 _____
Ending 19 _____

1999 NET WORTH TAX RETURN

Beginning 19 _____
Ending 19 _____

PLEASE DO NOT WRITE IN THIS SPACE

A. Federal Employer Id. No.	Name (Type or print plainly exact corporate title)	E. Date of Incorporation
B. Ga. W/hold. Tax Acct. No.	Business Address (Number and Street)	F. Incorporated under laws of what state
C. Ga. Sales Tax Reg. No.	City or Town County State Zip Code No.	G. Date admitted into Georgia
D. Federal Bus. Code No.	Location of books for Audit Telephone Number	H. Kind of business

I. Enter from balance sheet the year ending totals for: (Use dollars only - no cents)

➤ Inventories \$ _____ ➤ Depreciable Assets \$ _____ ➤ Accum. Dep. \$ _____

J. Indicate latest taxable year adjusted by IRS ➤ _____ And when reported to Georgia ➤ _____

K. Location of principal place of business in Georgia _____

USE GEORGIA LABEL IF CORRECT	COMPUTATION OF GEORGIA TAXABLE INCOME AND TAX (ROUND TO NEAREST DOLLAR)		SCHEDULE 1	
	1. Federal taxable income (Copy of Federal return and supporting schedules must be attached)..... ➤	1		
	2. Additions to Federal income (from Schedule 4).....	2		
	3. Total (add Lines 1 and 2).....	3		
	4. Subtractions from Federal income (from Schedule 5).....	4		
	5. Balance (Line 3 less Line 4).....	5		
	6. Georgia net operating loss deduction (Attach Schedule)..... ➤	6		
	7. Georgia taxable income (Line 5 less Line 6, Schedule 7, whichever applicable)..... ➤	7		
	8. Income Tax - (6% x Line 7).....	8		
	PAYABLE TO GEORGIA INCOME TAX DIVISION	COMPUTATION OF NET WORTH TAX (ROUND TO NEAREST DOLLAR)		SCHEDULE 2
1. Total Capital stock issued.....		1		
2. Paid in or capital surplus.....		2		
3. Total retained earnings.....		3		
4. Net worth (Total of Lines 1, 2, and 3)..... ➤		4		
5. Ratio (Ga. and Dom. For. Corp.-100%) (Foreign Corp.-Line 4, Sch. 8)..... ➤ 5				
6. Net worth taxable by Georgia (Line 4 x Line 5).....		6		
7. Net worth tax (From table in instructions).....	7			
PAYABLE TO GEORGIA INCOME TAX DIVISION	COMPUTATION OF TAX DUE OR OVERPAYMENT (ROUND TO NEAREST DOLLAR)		SCHEDULE 3	
		a. Income Tax	b. Net Worth Tax	c. Total
	1. Total Tax (Line 8, Schedule 1, and Line 7, Schedule 2).....			1
	2. Less: Credits and payments of estimated tax.....			2
	3. Other credits (Attach Schedule).....			3
	4. Job tax credits (See Instructions, Page 11).....			4
	5. Balance of tax due (Line 1, less Lines 2, 3 and Line 4).....			5
	6. Amount of overpayment (Lines 2, 3 and Line 4 less Line 1).....			6
	7. Interest due (See Instructions).....			7
	8. Penalties due (See Instructions).....			8
9. Balance of Tax, Interest and Penalties due with return.....			9	
10. Amount of Line 6 to be credited to 1999 estimated tax ➤		Refunded ➤		

COPY OF THE FEDERAL RETURN AND SUPPORTING SCHEDULES MUST BE ATTACHED, OTHERWISE THIS RETURN IS DEEMED INCOMPLETE. NO EXTENSION OF TIME FOR FILING WILL BE ALLOWED UNLESS COPY OF REQUEST FOR FEDERAL EXTENSION IS ATTACHED TO THIS RETURN.

DECLARATION: I/We declare under the penalties of perjury that I/We have examined this return (including accompanying schedules and statements) and to the best of our knowledge and belief it is true, correct, and complete. If prepared by a person other than taxpayer, their declaration is based on all information of which they have any knowledge.

SIGNATURE OF OFFICER

SIGNATURE OF INDIVIDUAL OR FIRM PREPARING THE RETURN

TITLE

DATE

IDENTIFICATION OR SOCIAL SECURITY NUMBER

ADDITIONS TO FEDERAL INCOME		(ROUND TO NEAREST DOLLAR)	SCHEDULE 4
1. State and municipal bond interest (other than Georgia or political subdivision thereof).....		1	
2. Net income or net profits taxes imposed by taxing jurisdictions other than Georgia.....		2	
3. Expense attributable to tax exempt income.....		3	
4. Net Operating loss deducted on Federal Return		4	
5. Accelerated depreciation (ACRS) deducted on Federal return (Electing Corporations Only)		5	
6.		6	
7.		7	
8.		8	
9.		9	
TOTAL - ENTER ALSO ON LINE 2, SCHEDULE 1.			

SUBTRACTIONS FROM FEDERAL TAXABLE INCOME		(ROUND TO NEAREST DOLLAR)	SCHEDULE 5
1. Interest on obligations of United States		1	
2. Depreciation allowed per I.R. Code as of 1-1-81 (ACRS-ASSETS) (Electing Corporations Only).....		2	
3.		3	
4.		4	
5.		5	
TOTAL - ENTER ALSO ON LINE 4, SCHEDULE 1.			

APPORTIONMENT OF INCOME (Part 1)		SCHEDULE 6			
	WITHIN GEORGIA		TOTAL EVERYWHERE		
	a. Beginning of year	b. End of year	a. Beginning of year	b. End of year	
1. Inventories					
2. Buildings (cost).....					
3. Machinery & Equipment.....					
4. Land					
5. Other Tangible Assets.....					
6. Total (Lines 1 through 5)					
7. Average (Add columns a and b and divide by 2)					
8. Rented Property (Annual Rate x 8)					
9. Total Property.....					

APPORTIONMENT OF INCOME (Part 2)		a. Within Georgia	b. Everywhere (If this figure is 0 see instructions on page 2)	c. col. (a) ÷ col. (b) Compute to Six Decimals		d. Georgia Factor Compute to Six Decimals
1. Total Property (Part 1 Line 9)					x 0.25	
2. Salaries, wages, commissions and compensation					x0.25	
3. Gross receipts from business.....					x 0.50	
4. Georgia ratio (total column d)						

COMPUTATION OF GEORGIA NET INCOME		(ROUND TO NEAREST DOLLAR)	SCHEDULE 7
1. Net business income (Line 5, Schedule 1).....		1	
2. Income allocated everywhere (Attach Schedule)		2	
3. Business income subject to apportionment (Line 1 less Line 2).....		3	
4. Georgia Ratio (Line 4, Part 2, Schedule 6)	4		
5. Net business income apportioned to Georgia (Line 3 x Line 4)		5	
6. Net income allocated to Georgia (Attach Schedule)		6	
7. Total of Lines 5 and 6		7	
8. Less net operating loss apportioned to Ga. (Attach Schedule)		8	
9. Georgia taxable income (Enter also on Line 7, Schedule 1)		9	

COMPUTATION OF NET WORTH RATIO (TO BE USED BY FOREIGN CORPS ONLY)		SCHEDULE 8	
	a. Within Georgia	b. Total Everywhere	c. Ga. ratio (a ÷ b)
1. Total value of property owned (Total Assets From Balance Sheet).....			
2. Gross receipts from business.....			
3. TOTALS (Line 1 plus Line 2)			
4. Georgia ratio (Divide Line 3a by 3b)			

MAKE CHECK PAYABLE TO: GEORGIA INCOME TAX DIVISION AND MAIL TO: GEORGIA INCOME TAX DIVISION, P.O. BOX 740397, ATLANTA, GEORGIA 30374-0397

GEORGIA PUBLIC REVENUE CODE SECTION 48-2-31 STIPULATES THAT TAXES SHALL BE PAID IN LAWFUL MONEY OF THE UNITED STATES,
FREE OF ANY EXPENSE TO THE STATE OF GEORGIA.

NEW CORPORATION? YES ☐ NO ☐
 ADDRESS CHANGE? YES ☐ NO ☐
 NAME CHANGE? YES ☐ NO ☐
 (If YES, please show former name below)

STATE OF GEORGIA

DEPARTMENT OF REVENUE
INCOME TAX DIVISION

PAYMENT OF INCOME TAX AND/OR
 NET WORTH TAX TENTATIVELY
 DETERMINED TO BE DUE

FEDERAL EI NO.		PLEASE DO NOT WRITE IN THIS SPACE	
Name (Type or print plainly exact corporation title)		Please print former name if applicable	
Business Address (Number and Street)			
City or Town	State	Zip Code	Type of Tax [] Corporate Income Tax [] Net Worth Tax
Income Tax Year	(Month)	(Day)	(Year)
			AMOUNT OF PAYMENT ENCLOSED \$

THE AMOUNT PAID IS TO BE CREDITED AS A PAYMENT ON THE LIABILITY THAT MAY BE DUE AS REFLECTED BY THE COMPLETED RETURN OF THE ABOVE NAMED TAXPAYER. GEORGIA PUBLIC REVENUE CODE SECTION 48-2-31 STIPULATES THAT TAXES SHALL BE PAID IN LAWFUL MONEY OF THE UNITED STATES, FREE OF ANY EXPENSE TO THE STATE OF GEORGIA. MAKE CHECK PAYABLE TO GEORGIA INCOME TAX DIVISION. PLEASE INCLUDE FEI# ON CHECK.

SIGNATURE OF OFFICER OR AGENT _____ **TITLE** _____ **DATE** _____

PLEASE DETACH ALONG THIS LINE
 AND MAIL TOP PART WITH REMITTANCE

IT-560-C

IMPORTANT
THIS FORM IS TO BE USED BY CORPORATION TAXPAYERS ONLY!
USE INCOME TAX YEAR OF RETURN
PAYMENT OF INCOME TAX AND/OR NET WORTH
TAX TENTATIVELY DETERMINED TO BE DUE

INSTRUCTIONS

**THIS FORM IS TO BE USED TO SUBMIT ANY PAYMENT OF TAX WHEN AN
 EXTENSION IS REQUESTED OR IN FORCE.**

When a taxpayer receives an automatic extension of time in which to file his Federal return Georgia will honor that extension. No penalty for late filing will be assessed if the Georgia return is filed by the extended due date of the federal return. The extension is for filing the return and does not extend the time for paying the tax. The tax must be paid by the statutory due date. An extension of time for filing does not relieve the taxpayer of liability for interest or penalty for late payment of tax.

The amount paid with this form should be claimed on the completed return as other credits.

Mail the completed form above with remittance to Department of Revenue, P.O. Box 105499, Atlanta, Georgia 30348-5499.

This form must be submitted with remittance to pay at least 90% of the tax that will be due as reflected on the final return. If 90% of the tax is not paid by the original due date of the return a penalty of 1/2 of 1% per month of the tax due will be assessed as a late payment penalty. The addition of this penalty does not relieve the taxpayer of liability for interest due on the unpaid balance of tax. If you have questions, call (404) 656-4191.

EXTENSION INFORMATION FOR CORPORATIONS

Georgia Code Section 48-7-57 provides that a taxpayer need not apply for a Georgia extension if he applies for and receives an automatic six (6) month extension of time to file his federal income tax return. The taxpayer must attach a copy of the extension granted by the Internal Revenue Service to his Georgia return. If the return is received within the time as extended by the Internal Revenue Service and Form 7004 is attached to the return, no late filing penalties will be incurred.

Failure to attach a copy of the federal extension will result in the return being considered late filed and penalties will be assessed!

If for any reason a federal extension was not requested but an extension is necessary for filing the Georgia return, please submit your request, in duplicate, explaining the reasons why it is necessary to request an extension of time to file your Georgia return. (Use Georgia Form IT-303.)

If any extension is granted and if the tax is not paid by the statutory due date, late payment penalties will be assessed until the tax is paid. (Income tax--1/2 of 1% per month and net worth tax 10%.) Also, interest will be assessed at the rate of 12% per annum from the statutory due date until paid. The late payment penalties and interest will accrue from the statutory due date regardless of any extension. Georgia law prohibits the granting of an extension of over six months from the due date of the return.

Any payment made prior to the filing of a complete return must be accompanied by Form Number IT-560C and claimed on the completed return as other credits.

TELEPHONE ASSISTANCE

CENTRALIZED TAXPAYER REGISTRATION UNIT	404-651-8651
CENTRALIZED TAXPAYER REGISTRATION FORMS	404-656-4092
EMPLOYEE WITHHOLDING INFORMATION	404-656-4181
CORPORATION AND NET WORTH TAX RETURN INFORMATION.....	404-656-4165-6
INDIVIDUAL INCOME TAX RETURN INFORMATION	404-656-4071
CORPORATION REFUND INQUIRY	404-656-4173
CORPORATION RETURN PROCESSING, ESTIMATES AND PREPAYMENT OF TAX	404-656-4191
INCOME TAX FORMS	404-656-4293
ESTATE AND TAX EXEMPT ORGANIZATION INFORMATION	404-656-7043
INCOME TAX DIRECTOR'S OFFICE.....	404-656-4095
CENTRAL AUDIT DIVISION	404-656-0600
ELECTRONIC FUNDS TRANSFER	404-651-8400
	or 1 (800) 659-1855

NEW CORPORATION? YES ☐ NO ☐
 ADDRESS CHANGE? YES ☐ NO ☐
 NAME CHANGE? YES ☐ NO ☐
 (If YES, please show former name below)

STATE OF GEORGIA
DEPARTMENT OF REVENUE
INCOME TAX DIVISION

PAYMENT OF INCOME TAX AND/OR
 NET WORTH TAX TENTATIVELY
 DETERMINED TO BE DUE

PLEASE DO NOT WRITE IN THIS SPACE

FEDERAL EI NO.

Name (Type or print plainly exact corporation title) Please print former name if applicable

Business Address (Number and Street)

City or Town

State

Zip Code

Type of Tax

☐ Corporate Income Tax☐ Net Worth Tax

Income Tax Year

(Month)

(Day)

(Year)

AMOUNT OF PAYMENT ENCLOSED

\$

THE AMOUNT PAID IS TO BE CREDITED AS A PAYMENT ON THE LIABILITY THAT MAY BE DUE AS REFLECTED BY THE COMPLETED RETURN OF THE ABOVE NAMED TAXPAYER. GEORGIA PUBLIC REVENUE CODE SECTION 48-2-31 STIPULATES THAT TAXES SHALL BE PAID IN LAWFUL MONEY OF THE UNITED STATES, FREE OF ANY EXPENSE TO THE STATE OF GEORGIA. MAKE CHECK PAYABLE TO GEORGIA INCOME TAX DIVISION. PLEASE INCLUDE FEI# ON CHECK.

SIGNATURE OF

OFFICER OR AGENT

TITLE

DATE

PLEASE DETACH ALONG THIS LINE
 AND MAIL TOP PART WITH REMITTANCE

IT-560-C

IMPORTANT**THIS FORM IS TO BE USED BY CORPORATION TAXPAYERS ONLY!****USE INCOME TAX YEAR OF RETURN****PAYMENT OF INCOME TAX AND/OR NET WORTH****TAX TENTATIVELY DETERMINED TO BE DUE****INSTRUCTIONS**

**THIS FORM IS TO BE USED TO SUBMIT ANY PAYMENT OF TAX WHEN AN
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EXEMPT ORGANIZATIONS

Any organization that has exempt status, granted by the Internal Revenue Service prior to January 1, 1987, does not need to apply to Georgia for exempt status. Organizations applying for exemption after that date or desiring a Georgia determination letter for their files must make separate application to this state using Georgia Form 3605. A non-profit corporate charter does not constitute exemption from income tax.

Each organization which has an exempt status for Georgia purposes must annually file a copy of the forms they file with the Internal Revenue Service, such as the Federal forms 990, 990-AR, etc. The due date for filing the copy of the Federal forms with Georgia is the same date for filing with the Internal Revenue Service.

All exempt organizations that have unrelated business income from Georgia sources must file Form 600-T annually and pay the tax at the rate of 6%. This return must be filed and tax paid on the date provided by the Internal Revenue Service for filing the Federal form 990-T.

Any correspondence relating to exempt organizations should be addressed to:

**Georgia Income Tax Division
Post Office Box 740385
Capitol Hill Station
Atlanta, Georgia 30374-0385**

NEW INFORMATION

The following house bills were passed by the 1998 legislature:

HB 1161 provides for a low emission vehicle credit up to \$1,500 for the purchase of a new low emission vehicle or the conversion of a standard vehicle to low emission vehicle. Section 48-7-40.

HB 1353, an economic incentive which provides for alternative methods of allocation and apportionment. Section 48-7-31.

HB 1437, which provides for a deduction for employer social security credit. Section 48-7-28.2.

HB 1535, which defines out of state customers of commercial printers. Section 48-5-5.

HB 1596, includes revisions to the BEST credits. The new law provides for a ten-year carry forward of unused investment or retraining tax credits. The act also extends some provisions of the job tax credit. Sections 48-7-40.2 thru 48-7-40.5 and 48-7-40.

HB 1667, For companies otherwise eligible for the job tax credit there is now the port activity tax credit, which would increase the credit for either of these credits. Section 48-7-40.15.

If you have any questions about any of these new laws call the corporate tax conferee's office at 404-656-4171.

If your corporation makes quarterly estimate payments of \$10,000 or more you may be required to make those payments via electronic funds transfer (see page 9).

The Department's web site can be accessed at www2.state.ga.us/departments/dor/. Georgia law can be found at www.ganet.org/services/ocode/ocgsearch.htm. Complete copies of the bills are available at www.ganet.org/services/leg/pleg.cgi?year=1998&billtype=HB.

CORPORATION ESTIMATED TAX INSTRUCTIONS

CORPORATION WHICH MUST FILE ESTIMATED TAX.

Every domestic or foreign corporation subject to taxation in Georgia shall pay estimated tax for the taxable year if its net income for such taxable year can reasonably be expected to exceed Twenty-Five Thousand Dollars (\$25,000.00).

If the requirements to file estimated tax under Code Section 48-7-117 are first met as shown in the left-hand column of the following table, then the estimated tax shall be due as shown in the remaining columns.

The Following percentages of the estimated tax shall be paid on the fifteenth day of the:				
	4th MONTH OF THE TAXABLE YEAR	6th MONTH OF THE TAXABLE YEAR	9th MONTH OF THE TAXABLE YEAR	12th MONTH OF THE TAXABLE YEAR
Before the first day of the fourth month of the taxable year.	25%	25%	25%	25%
After the last day of the third month and before the first day of the sixth month of the taxable year.		33 ¹ / ₃ %	33 ¹ / ₃ %	33 ¹ / ₃ %
After the last day of the fifth month and before the first day of the ninth month of the taxable year.			50%	50%
After the last day of the eighth month and before the first day of the twelfth month of the taxable year.				100%

All Corporate Income Tax must be paid directly to the Income Tax Division. The estimated tax shall be paid on the specified dates so as to effect payment in full of the estimated tax by the 15th day of the twelfth month of the taxable year.

Form 602ES shall be delivered or mailed to **State of Georgia, Department of Revenue, P.O. Box 105499, Atlanta, Georgia 30348-5499**. Check or money order in payment of tax should be made payable to: "**Georgia Income Tax Division.**" Include federal employer identification number on check.

NEW ESTIMATED FILERS

If upon completion of the worksheet on page 9 you determine that you are liable to file estimated tax, please mail your initial payment along with written notification of your new filer status. This notification should include the complete corporate name, address, telephone number, Federal employer identification number, and taxable year. Shortly after the department processes the initial payment and new filer account data, you will receive a personalized coupon booklet containing Forms 602ES to be used for paying remaining installments due.

Department of Revenue
Corporation Estimated Tax
P.O. Box 105499
Atlanta, Georgia 30348-5499
Telephone No. (404) 656-4191

SHORT TAXABLE YEAR

A separate estimate must be filed where a corporation is required to submit an income tax return for a period of less than twelve months. No estimate need be filed if the taxable year is a short period of less than four months, or if the taxable year is a short period of four or more months and the requirements specified are first met after the first day of the last month in the short taxable year.

Please Note: Those Corporations required to file estimated tax for a short taxable period or whose accounting period has changed should contact the Georgia Income Tax Division for appropriate estimated tax forms.

Georgia Income Tax Division
Department of Revenue
Corporation Estimated Tax
P.O. Box 105499
Atlanta, Georgia 30348-5499
Telephone No. (404) 656-4191

Penalties. Failure to comply with the provisions of the law may result in a penalty of 5% of the income tax for failure to pay estimated tax and a charge at the rate of 9% per annum for underpayment of estimated tax.

CORPORATION ESTIMATED TAX WORKSHEET

1. Amount of taxable income expected during the current year \$ _____

2. Estimated Tax (6 percent of Line 1) \$ _____

3. Less Credit for 1998 overpayment if credit was elected on Form 600 \$ _____

4. Unpaid balance (Line 2 less Line 3)..... \$ _____

5. Computation of installment: (check box below and enter amount.)..... \$ _____

If first payment is ☐ April 15, 1999, enter 1/4 of Line 4 ☐ Sept. 15, 1999, enter 1/2 of Line 4

due to be filed on ☐ June 15, 1999, enter 1/3 of Line 4 ☐ Dec. 15, 1999, enter amount of Line 4

Amount Due \$ _____

Corporations filing on fiscal year ending after January 1, must file on corresponding dates. See instructions.

ELECTRONIC FUNDS TRANSFER

In accordance with Georgia Law (OCGA 48-2-32(f)(2)), the Department currently requires corporate estimate taxpayers with quarterly payments of \$10,000 or more to make those payments via electronic funds transfer. As the threshold is lowered, corporate taxpayers will be provided with registration forms and instructions. EFT Section (404) 651-8400 or 1-(800) 659-1855.

DOUBLE CHECK

Please review your completed return.

Did you use the label? If so, is all information on the label correct?

If you did not use the label, is your corporate name, address, and Federal I.D. number correctly shown on the return?

Is your taxable year shown on return?

Did you receive an extension of time to file your return? If so, have you attached a copy of your extension?

Have you attached a copy of your Federal Form 1120 and supporting schedules?

If there is a tax due (on Line 9, Schedule 3), have you attached your remittance, payable to: Georgia Income Tax Division? (To insure proper credit, put your Federal I.D. number on your remittance.)
PLEASE DO NOT MAIL YOUR RETURN AND CHECK SEPARATELY!

If there is an overpayment (on Line 10, Schedule 3), did you show amount to be refunded and /or amount to be credited to estimate?

Have you addressed your envelope properly? Do not send your Georgia Form 600 to the Internal Revenue Service.

If you claimed credits, did you attach the required schedules?

COMMON ERRORS THAT DELAY REFUNDS AND CREATE ASSESSMENTS

1. Incorrect addresses and Federal I.D. numbers.
2. Failure to indicate proper taxable year ending.
3. Incomplete Georgia return, making reference to attached schedules.
4. Incorrect consolidation of net worth tax for parent and subsidiary corporations.
5. Claiming prepayments remitted under another name, Federal I.D. number, or taxable period without attaching a schedule of detailed information.
6. "S" corporations filing on Form 600. Correct form to use is 600-S.
7. Improper enclosure of Form IT-552, application for tentative carry-back adjustment. Form IT-552 should be attached to face of Loss-Year return.

BASIC SKILLS EDUCATION CREDIT

Section 48-7-41 of the Georgia Code Annotated created the Basic Skills Education Credit. Business enterprises may benefit by providing or sponsoring basic skills education that enhances reading, writing, or mathematical skills up to and including the 12th grade. The program will be administered by the Department of Technical and Adult Education. For information, contact them at (404) 679-1625.

Basic Skills Education Credit available for offset against income tax per this return should be claimed on line 3 of Schedule 3 as "Other Credits" and supported by a completed copy of Georgia Form IT-BE.

TO: _____

GEORGIA BUSINESS EXPANSION AND SUPPORT ACT

JOB TAX CREDIT

The act provides for a statewide job tax credit for certain business enterprises that have hired sufficient numbers of employees. Three tiers for the credit have been established. For additional information or Form IT-CA, contact the Office of the Commissioner of Community Affairs at (404) 679-1592.

Georgia Job Tax Credit available for credit against the income tax liability reflected in this return must be reported on line 4, Schedule 3, and supported by a complete copy of Georgia Form IT-CA. Alternate formats will not be accepted!

INVESTMENT TAX CREDIT

The Investment Tax Credit Program, available to manufacturers and telecommunications companies, is based on the same tiers as the Job Tax Credit Program and requires certain minimum expenditures in order to claim this credit against the income tax liability. The investment tax credit may be claimed beginning with the tax year, immediately following the year in which the minimum expenditures for investment property have occurred. The amount of credit increases for investments for recycling, pollution control and defense conversion activities. Taxpayers must elect to claim either the investment tax credit, the optional investment tax credit or the job tax credit for their operations in Georgia, but only one for a given project.

To be eligible for the investment tax credit a taxpayer must purchase or acquire qualified investment property pursuant to an approved project plan (use Form IT-APP). Investment Tax Credit must be computed on Form IT-IC and claimed on line 3, Schedule 3 as "other credits." Contact the Income Tax Division for an application for project approval, Form IT-APP or Form IT-IC at (404) 656-4165.

OPTIONAL INVESTMENT TAX CREDIT

The optional investment tax credit is similar to the regular investment tax credit. However, there are higher spending thresholds. Companies with projects of \$5 million, \$10 million, or \$20 million depending on whether the facility is located in a tier 1, tier 2 or tier 3 county, respectively, may qualify. This credit provides for higher credit amounts as well as a 10-year calculation. As indicated with the regular investment tax credit above, prior approval is required (use form OIT-APP). The Optional Investment Tax Credit must be computed on Form OIT-IC and claimed on line 3, Schedule 3 of the Form IT-600 as "other credits."

RETRAINING TAX CREDIT

Retraining programs must enhance the functional skills of employees otherwise unable to function effectively on the job due to skill deficiencies or who would otherwise be displaced because such skill deficiencies would inhibit their utilization of new technology. The Retraining Tax Credit must be computed on a Form IT-RC and claimed on line 3, Schedule 3, as "other credits." For a copy of the Retraining Tax Credit Procedures Guide, contact the Department of Technical and Adult Education at 404-679-1700.

CHILD CARE CREDIT

Employers who provide or sponsor child care for employees are eligible for a tax credit of up to 50% of the direct cost of operation to the employer. The credit cannot exceed more than 50% of the taxpayer's total state income tax liability for that taxable year. The Child Care Credit must be computed on a Form IT-CCC and claimed on line 3, Schedule 3, as "other credits."

*Each of these credits may be claimed separately up to 50% of the Corporate Income Tax or in aggregate to offset 100% of the Corporate Income Tax. In claiming each credit, please attach the form used to compute the credit. All credit forms except the IT-CA may be ordered at (404) 656-4165. Each of the tax credits listed is available to offset income tax only, not net worth tax. These are not refundable credits. Taxpayers must elect to claim either the investment tax credit, the optional investment tax credit or the job tax credit for their operations in Georgia, but only one. For more information about all of these credits call the department and request the publication, "Information on Income Tax Credits for Georgia Businesses." The B.E.S.T. Act is applicable to all taxable years beginning on or after January 1, 1994.